

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

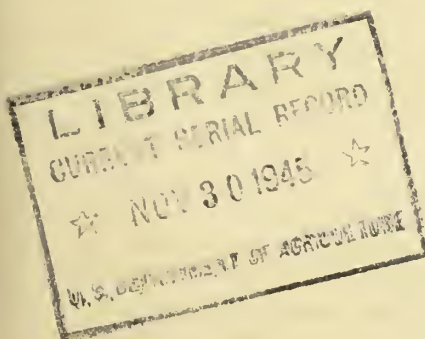
Foreign Crops and MARKETS



IN THIS ISSUE

GRAINS AND GRAIN PRODUCTS	Page
Argentine Grain-Crop Estimates Reduced ..	109
Canadian Crop Estimates Revised	110
India Harvests Large Rice Crop	111
VEGETABLE OILS AND OILSEEDS	
Fats and Oils Consumption in Canada and The United States Reduced	112
Canadian Flaxseed Acreage Revised Upward	113
COTTON AND OTHER FIBERS	
Small Increase Indicated in Indian Cotton Production	114
Brazilian Textile Production Increases ..	116
TOBACCO	
Canada Plans Increased Tobacco Production in 1944	117
Argentine Tobacco Acreage Maintained	118
Bahia's 1943-44 Tobacco Crop Lower	118
LIVESTOCK, MEATS, AND WOOL	
Canada Subsidizes Hog Production	119
Danish Exports to Germany	119
Canadian Marketings of Sheep and Lambs to be Increased	119
Germany Reduces Hog Numbers	108
GENERAL AND MISCELLANEOUS	
Argentina Reorganizes Agricultural Ministry	120
Rome Food Situation Bad	108
Foreign Exchange Rates	121

JANUARY 31, 1944



ISSUED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS • WASHINGTON, D. C.
Volume 48

Number 5

LATE FOREIGN DEVELOPMENTS . . .

ARGENTINA

Second official estimate for 1943-44 flaxseed places production at 66,729,000 bushels compared with 61,414,000 for the corresponding period in 1942-43 and the final estimate of 60,036,000 bushels.

ARGENTINA

Press and trade reports indicate a record acreage for sunflowerseed. Estimates vary from 2.5 million to 3 million acres and production from 1.6 billion to 2 billion pounds. Growing conditions have been favorable and the crop is in excellent condition. The first official estimate for acreage is due early in February.

ARGENTINA

Fresh fruit crops in Argentina this year will be smaller and prices higher than last season. The production of dried fruits, however, is expected to be about the same. With respect to dried fruit, the exportable surplus is tentatively estimated at about the same as last season, namely, 2,500 metric tons of raisins, 1,400 tons of prunes, 300 tons of peaches, 400 tons of pears, 250 tons of apricots, 200 tons of figs, and 40 tons of apples.

GERMANY

According to a recent despatch, farmers in several districts in Germany have found it necessary to sell prematurely an extraordinary proportion of hogs which were being kept for fattening. The enforced liquidation was attributed to the unfavorable potato harvest.

ITALY

A report dated January 6 from a reliable source in Rome stated that the food situation there is worsening. The Rome region is living on its reserves, which cannot last indefinitely. The surrounding country has never produced enough to meet the needs of the population. For that reason great dependence has always been placed on shipments from northern and southern Italy.

SOVIET UNION

The Soviet press continues to stress prominently the urgent need to speed up repairs of tractors and other agricultural equipment, and especially the manufacture of spare parts. Emphasis is being placed on the necessity for assembling and preparing all available equipment for the approaching spring sowing season, particularly in liberated areas.

GRAINS AND GRAIN PRODUCTS

Gordon P. Boals, in charge

ARGENTINE GRAIN CROP ESTIMATES REDUCED

The 1943-44 grain crop in Argentina is considerably smaller than December prospects indicated, though still larger than the 1942-43 harvest, and above average, according to the second official estimate. This estimate, making further reductions to cover grain areas pastured, places the total small-grain production at a figure 100 million bushels below that of the December estimate. See Foreign Crops and Markets, December 20, 1943.

The wheat crop just harvested is now placed at 260.9 million bushels or about 30 million bushels less than the earlier estimate. This is still about 25 million bushels larger than the 1942 crop. The greatest reduction from last month's estimate is shown for oats, that crop now being reported as 82.7 million bushels or a reduction of 41 percent, compared with the December estimate. Even with this decrease, however, the current crop is the largest recorded and is more than twice as large as last year's production of around 40 million bushels. The yield per acre, which was indicated at the unprecedented level of 26.7 bushels, on the basis of the first estimate, is now placed at 15.7 bushels.

ARGENTINA: Grain acreage, yield, and production, averages
1933-34 to 1942-43, annual 1942-43 and 1943-44

ITEM	: AVERAGE :		: AVERAGE :		: 1943-44	
	: 1933-34 to :		: 1938-39 to :		: FIRST :	
	: 1937-38 :		: 1942-43 :		: ESTIMATE :	
	: 1,000 acres :		: 1,000 acres :		: 1,000 acres :	
Acreage sown -	:	:	:	:	:	:
Wheat	18,531 :	18,332 :	16,979 :	16,914 :	-	-
Oats	3,605 :	3,825 :	4,756 :	5,259 :	-	-
Barley	1,825 :	1,944 :	1,420 :	1,745 :	-	-
Rye	2,350 :	2,997 :	4,292 :	4,510 :	-	-
Yield per	:	:	:	:	:	:
seeded acre -	: Bushels :	: Bushels :	: Bushels :	: Bushels :	: Bushels :	: Bushels :
Wheat	12.1 :	13.8 :	13.8 :	17.2 :	15.4	15.4
Oats	14.6 :	11.3 :	8.4 :	26.7 :	15.7	15.7
Barley	14.0 :	12.2 :	11.3 :	22.5 :	21.6	21.6
Rye	3.6 :	3.3 :	1.4 :	10.8 :	8.6	8.6
Production -	: 1,000 :	: 1,000 :	: 1,000 :	: 1,000 :	: 1,000 :	: 1,000 :
	: bushels :	: bushels :	: bushels :	: bushels :	: bushels :	: bushels :
Wheat	225,152 :	253,725 :	235,157 :	290,713 :	260,878	260,878
Oats	52,563 :	43,127 :	39,958 :	140,316 :	82,672	82,672
Barley	25,661 :	23,787 :	16,075 :	39,224 :	37,662	37,662
Rye	8,514 :	10,019 :	5,941 :	48,856 :	38,974	38,974

Compiled from official reports.

The barley estimate shows very little change as reported at 37.7 million bushels. At that level it is a record production and is larger than the two preceding crops added together. The rye estimate has been reduced by about 10 million bushels

during the past month and is now reported at 39.0 million bushels. This, too, is an all-time record crop and contrasts with the 1942 outturn of 5.9 million bushels.

CANADIAN CROP ESTIMATES REVISED

The third official estimate of the 1943 grain crop in Canada makes no significant changes from the previous estimate issued in November. The wheat production is placed at 293,660,000 bushels as compared with the provisionally revised figure of 556,134,000 bushels in 1942. The revision in the 1942 production represents a reduction of about 36,600,000 bushels compared with prior estimates of that crop. The 1942 figure is subject to further change on the basis of final disposition data. The 1943 estimated yield per acre of 16.8 bushels compares with the revised yield of 25.8 bushels in 1942.

The 1943 wheat crop in the Prairie Provinces is estimated at 277,000,000 bushels, distributed as follows with revised 1942 data in parentheses, in thousand bushels: Manitoba 41,000 (53,650), Saskatchewan 156,000 (304,400), and Alberta 80,000 (170,400). The largest change in the 1942 figures was for Saskatchewan, where the reduction amounted to about 30,600,000 bushels. The estimate for Alberta was reduced by about 7,600,000 bushels, while that for Manitoba was increased by 1,600,000 bushels. Final figures for the 1942 crop are to be released April 14, together with the stock position as of March 31.

CANADA: Grain acreage and production, 1942 and 1943

GRAIN	ACREAGE		PRODUCTION		
	1942	1943	1942	1943	
				NOVEMBER ESTIMATE	JANUARY ESTIMATE
	1,000	1,000	1,000	1,000	1,000
	acres	acres	bushels	bushels	bushels
Wheat -					
Winter	757	601	23,391	13,222	13,222
Spring	20,829	16,887	532,743	280,482	280,438
All wheat	21,586	17,488	a/ 556,134	293,704	293,660
Oats b/	13,782	15,407	651,954	482,860	482,022
Barley	6,973	8,397	259,156	215,816	215,562
Rye -					
Winter	1,014	351	18,201	4,468	4,468
Spring	324	225	6,541	2,676	2,675
All rye	1,338	576	24,742	7,144	7,143
Buckwheat	240	286	5,207	6,225	6,243
Mixed grain	1,681	1,463	68,622	35,906	35,656
Corn for grain	358	230	14,372	10,366	7,775

Compiled from official sources.

a/ Provisional revision.

b/ Production in Canadian bushels of 34 pounds.

INDIA HARVESTS LARGE RICE CROP

Although actual production estimates are not yet available, present indications are that the 1943-44 rice crop in India will be above the 5-year 1937-38 to 1940-41 average of 1,853 million pounds, according to information received from Calcutta. A 6-percent acreage increase was effected largely by a reduction in jute and cotton sowings, and favorable weather for rice production has resulted in above-normal yields. The bumper "aman" (winter rice) crop, representing about 75 percent of total harvest, has now appeared on the market to relieve the famine suffered in Eastern India during the past year.

Japanese occupation of Burma early in 1942 was a serious blow to the Indian food situation since that area constituted the principal source for India's average rice imports of approximately 2.3 billion pounds annually. India's drastic food shortage in 1943 may be attributed in part, also, to the below-normal 1942-43 rice crop. Among the factors contributing to the short rice crop that year, were widespread devastation by a cyclone of great violence in October 1942, subsequent damage from floods, and the Government confiscation of rice land for military purposes. In addition to the small rice crop and inability to procure imports the food situation was further aggravated by the large numbers of evacuees from Burma who had to be fed.

Indian rice yields are generally low compared with those of other countries. During pre-war years they averaged only 29 bushels per acre compared with 123 in Spain, which is considered to have the highest rice yield in the world, and 48 in the United States. Indian agricultural experts are of the opinion that the country's average rice yields could be increased substantially by the application of ammonium sulphate, which can be produced in large quantities in India at half the cost of imported fertilizers. They are also of the opinion that the adoption of improved varieties and methods of culture would likewise contribute towards increased yields.

India produces three rice crops each year. The most important is the winter crop, harvested principally from December to January, and from which 75 percent of the annual output is obtained. The autumn crop, harvested from August to December, is next in importance, accounting for 15 percent of the total. The summer crop, which accounts for the remaining 10 percent of the production is harvested from March to June.

Rice consumption in India previous to the war amounted to 59.0 billion pounds annually. Of that quantity 56.7 billion pounds were produced domestically, and 2.3 billion pounds were imported. Even with the larger production this year, the food situation will not be relieved to the extent that normal conditions will prevail throughout the year, because of inability to obtain imports.

The Provincial Government of Bengal has announced a procurement program for the new-rice crop which forms a part of the food plan outlined for 1944. Prohibition of rice exports will be continued, rationing will be in effect in important urban areas, the Indian Government will supply all needs of greater Calcutta from outside of Bengal, and price control will be strictly enforced. The main objectives of the program are the reduction of prices and distribution of rice throughout the Province.

VEGETABLE OILS AND OILSEEDS 1944

Fred J. Rossiter, in charge

FATS AND OILS CONSUMPTION IN CANADA AND THE UNITED STATES REDUCED

Civilian per capita consumption of food - fats and oils in Canada was restricted in 1943 to a level slightly below the 1941 estimate of 44.3 pounds (fat content), according to a preliminary report released by the Dominion Bureau of Statistics in December. Civilian rationing became effective in Canada in December 1942 after the per capita consumption had increased considerably as shown in the table below.

CANADA: Per capita disappearance of food fats and oils,
average 1935-1939 and annual 1940 to 1943

YEAR	BUTTER	MARGARINE: a/	LARD	SHORTENING:	OTHER : FOOD FATS: AND OILS :	TOTAL b/
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
Average						
1935-1939	30.8	-	4.0	10.5	1.8	41.2
1940	30.8	-	6.9	7.4	1.9	41.1
1941	30.7	-	7.4	10.1	1.9	44.3
1942	33.1	-	9.0	8.8	2.1	46.7
1943 c/	29.6	-	9.1	8.4	2.1	43.6

Reported by the Dominion Bureau of Statistics, Ottawa, Canada.

a/ Sale of margarine in Canada is prohibited by law.

b/ In terms of fat content.

c/ Preliminary.

The rate of consumption in the United States was also reduced in 1943 by rationing as shown in the following table, prepared by the Bureau of Agricultural Economics but the 1945 rate is about equal to Canada's 1942 rate before rationing was effected. The greatest food-fat scarcity in both countries during 1943 was in butter.

UNITED STATES: Per capita disappearance of food fats, and oils,
average 1935-1939, and annual 1940 to 1943
(In terms of fat content except butter)

YEAR	BUTTER	MARGARINE: a/	LARD b/	SHORTENING:	OTHER : FOOD FATS : AND OILS :	TOTAL
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
Average						
1935-1939	16.8	2.3	11.0	11.9	6.3	48.3
1940	17.0	1.9	14.8	9.0	7.7	50.4
1941	16.0	2.2	14.2	10.5	8.5	51.4
1942	15.7	2.3	13.5	9.0	8.3	48.8
1943 c/	12.5	3.3	14.3	9.1	7.4	46.6

Reported by the Bureau of Agricultural Economics, United States Department of Agriculture, Washington, D. C.

a/ Multiply by 1.25 to convert to approximate finished weight basis.

b/ Excludes quantities used in manufactured products.

c/ Preliminary.

CANADIAN FLAXSEED ACREAGE REVISED UPWARD

According to the third official estimate, Canadian flaxseed production in 1943 has been revised upward and is now placed at 17,911,000 bushels from 2,948,000 acres representing an increase over 1942 of 20 and 98 percent respectively. Although the 1943 acreage was the largest on record, the outturn was disappointing to both producers and the Government. Drought, hail, rust and insect damage were particularly severe in the Province of Saskatchewan, where approximately 60 to 70 percent of the crop is grown.

CANADA: Flaxseed acreage, production and value, 1943

PROVINCE	AREA	PRODUCTION	YIELD PER ACRE	AVERAGE <u>a/</u> FARM PRICE PER BUSHEL	GROSS FARM VALUE <u>a/</u>
	1,000 acres	1,000 bushels	Bushels	Dollars	dollars
Ontario	24	235	9.8	1.85	435
Manitoba	284	2,800	9.9	2.27	6,356
Saskatchewan	2,085	11,500	5.5	2.20	25,300
Alberta	550	3,300	6.0	2.16	7,128
British Columbia ...	5	76	14.0	2.10	160
Total Canada	2,948	17,911	6.1	2.20	39,379

Dominion Bureau of Statistics, Ottawa.

a/ Canadian currency.

A report published by the Dominion Bureau of Statistics shows that the average farm price for flaxseed in 1943 was only \$2.20 per bushel compared with \$2.50 for top grade flaxseed delivered at Fort William - Port Arthur, or Vancouver. Other grades are somewhat lower.

CANADA: Flaxseed acreage, production, yield, imports and exports,
1934-1943

YEAR	AREA	PRODUCTION	YIELD PER ACRE	IMPORTS	EXPORTS
	1,000 acres	1,000 bushels	Bushels	1,000 bushels	1,000 bushels
1934	227	910	4.0	789	7
1935	307	1,667	5.4	633	21
1936	477	1,795	3.8	1,293	180
1937	241	775	3.2	1,211	13
1938	210	1,259	6.0	713	13
1939	298	2,044	6.9	1,116	18
1940	382	3,049	8.0	874	65
1941	996	5,788	5.8	<u>a/</u>	<u>b/</u> 3,897
1942	1,492	14,992	10.0	<u>a/</u>	<u>b/</u> 9,657
1943	2,948	17,911	6.1	<u>a/</u>	<u>b/</u> 13,927

Compiled from official sources.

a/ If any, not reported.

b/ Shipments.

COTTON AND OTHER FIBERS . . .

A. W. Palmer, in charge

SMALL INCREASE INDICATED IN INDIAN COTTON PRODUCTION*

The 1943-44 cotton crop in India is reported in the third all-India forecast at 3,918,000 bales (expressed as 478 pounds net per bale) compared with 3,714,000 bales reported in the corresponding forecast of 1942-43 and a final revised estimate of 3,811,000. The longer staple American varieties account for 29 percent of this year's total crop. The largest part of the 67,000-bale increase over the corresponding forecast for the total 1942-43 crop appears in the long staple group, although small increases are reported in four of the 5 principal types of shorter staple cotton. Bengals, which make up 13 percent of the total, show a decrease of 29,000 bales.

The 1943-44 acreage is now forecast at 17,839,000 compared with 18,256,000 acres forecast at this time last year and a final revised estimate for 1942-43 of 18,812,000 acres. The present crop is the second under the reduction plan, and, although the production estimate is above last year's, the acreage report shows a decrease of 417,000 acres (or 2 percent) from the acreage forecast at this time last year. During the past 10 years the area reported in the third forecast has averaged 95.8 percent of that of the final revised estimate. Applying this average ratio to the present year's forecast, a final area of 18,621,000 acres may be assumed for the 1943-44 crop.

INDIA: Cotton acreage and production, by trade types, third forecast and revised for 1942-43 and third forecast for 1943-44
(Bales converted to basis of 478 pounds net)

TYPE	1942-43				1943-44	
	THIRD FORECAST		FINAL REVISED		THIRD FORECAST	
	Acres	Bales	Acres	Bales	Acres	Bales
Long staple,	:	:	:	:	:	:
principal type-	:	:	:	:	:	:
Americans	3,136,000	1,074,000	3,149,000	1,215,000	3,315,000	1,141,000
Short staple,	:	:	:	:	:	:
principal types-	:	:	:	:	:	:
Comras	5,046,000	862,000	5,086,000	781,000	4,986,000	876,000
Bengals	1,820,000	550,000	1,695,000	489,000	1,804,000	521,000
Dholleras	1,273,000	192,000	1,307,000	212,000	1,403,000	238,000
Broach	694,000	122,000	674,000	161,000	655,000	168,000
Surti	515,000	89,000	528,000	92,000	471,000	107,000
All others	5,772,000	825,000	6,373,000	861,000	5,205,000	867,000
Total	18,256,000	3,714,000	18,812,000	3,811,000	17,839,000	3,918,000

Compiled from consular reports.

The decrease in this year's acreage has shown in each forecast compared to the corresponding one of 1942-43. The first forecast for the present year was announced in August, and was 4 percent below the first forecast for the preceding year. By October, when the second forecast was announced, the decrease from the preceding October forecast was 8 percent. The third forecast in turn, shows a reduction of 2

*Prepared by C. M. Protzman.

percent. Assuming 18,621,000 acres for this year's final report, as calculated in the preceding paragraph, the actual decrease in acreage this year will be about 1 percent.

INDIA: Total cotton acreage, as reported in the various forecasts,
1941-42 to 1943-44

FORECAST	:	:	:	:	1943-44 DECREASE FROM	
	:	:	:	:	CORRESPONDING ESTIMATE	
	:	1941-42	1942-43	1943-44	OF 1942-43	
	:	:	:	:	AREA	PERCENTAGE
	:	Acres	Acres	Acres	Acres	Percent
First	:	12,475,000:	11,089,000:	10,610,000:	479,000:	4
Second	:	19,235,000:	16,033,000:	14,701,000:	1,332,000:	8
Third	:	22,269,000:	18,256,000:	17,839,000:	417,000:	2
Fourth	:	23,245,000:	18,716,000:	- :	- :	-
Final revised	:	24,151,000:	18,812,000:	a/18,621,000:a/	191,000:a/	1

Compiled from consular reports.

a/ Final 1943-44 figure estimated on the basis of the third forecast being 95.8 percent of the final forecast, as during the average of the past 10 years.

Acreage reduction in cotton is encouraged in favor of food crops such as rice and beans, and, where cotton is continued, a shift has been urged from short to long staple varieties in accordance with market demand. In Bombay Province, where short staples are grown on more than 3,000,000 acres, the Government now awards prizes to villages showing the largest reduction in cotton acreage, together with an increase in food crops planted. The prizes range from \$150 to \$300 each according to the size of the administrative unit, and are taken from a subsidy of \$17,400 granted by the Government of India.

The Government of Madras is sponsoring an experiment in breeding varieties of Cambodia cotton with the hope of obtaining American strains suited to the black soil in the ceded districts of Madras Presidency. The experiments will be conducted in three different localities throughout a period of 7 years.

Futures trading in cotton has been permitted again in Bombay since October but within the limits of set floor and ceiling prices effective without change throughout the entire 1943-44 season. Bengal (Deshi) must sell between 6.3 and 12.1 cents per pound. Prices for the other types range from this low to a high of 23.3 and 29.1 as the lower and upper limits for both Cambodia and Punjab-American 289F, Bombay delivery.

The Government plans to keep these prices in effect by buying at floor prices when the market rate tends to go below that limit and to requisition, at any price deemed advisable between the ceiling and 5 percent below it, such cotton as is needed by the mills when prices approach the ceiling limits. The Government also will control the disposition of such stocks as are accumulated by it through this purchase plan, but will be guided by the interests of growers and the recommendation of the established Cotton Committee in the operation of such control. A steadying influence has been noted as the result of former indirect controls over raw cotton prices. The principal controls have been the ceiling price on cotton yarn and cloth, later the control by the Government of the whole cotton textile industry, and finally the prohibition in May 1943 of future trading in raw cotton.

The following table lists the accepted floor and ceiling prices for certain descriptions of cotton. Announcement is expected later of prices for other descriptions tenderable against the Indian Cotton Contract.

INDIA: Cotton floor and ceiling prices accepted for specified descriptions, 1943-44 season

DESCRIPTION	PRICE PER POUND	
	FLOOR PRICE	CEILING PRICE
	Cents	Cents
Indian cotton (contract Jarila)	15.3	21.0
Bengal (Deshi)	6.3	12.1
Oomra (Deshi)	8.6	14.3
4 F	17.2	23.0
Western Farm	19.5	25.3
Tinnevelli	18.6	24.3
Karungany	19.3	25.1
Sind N. T.	22.0	27.7
Surat	23.0	28.7
Gaorani	22.0	27.7
Nandyal	20.5	26.2
Coompta	22.6	28.3
Cambodia	23.3	29.1
Punjab-American 289F	23.3	29.1

Compiled from consular report.

BRAZILIAN TEXTILE PRODUCTION INCREASES

Brazilian textile production in 1942 was approximately three times that of 12 years previous, in 1930, according to information released recently by unofficial sources. During the same period, domestic consumption rose from an estimated 520,454,000 yards, or about 15 yards per capita, to an estimated 1,410,744,000 yards, or about 33 yards per capita.

In the past two years, Brazilian exporters of cotton textile manufactures have expanded their markets considerably, especially in Venezuela, Colombia, and in the Union of South Africa. In 1941, Brazilian exports of cotton textiles amounted to about 2,187,000 yards, while shipments to foreign markets in 1942 were 229,656,000 yards. During the present war period importing countries have found it increasingly difficult to obtain supplies of cotton textiles from the usual exporting countries.

COTTON: Textile manufacturers in Brazil, selected years, 1930-1942
(Converted to yards)

YEAR	YARDS MANUFACTURED	YEAR	YARDS MANUFACTURED
1930	520,554,000	1938	924,092,000
1932	688,968,000	1940	898,939,000
1934	781,924,000	1941	1,387,778,000
1936	999,550,000	1942	1,640,400,000

Compiled from consular report.

J. Barnard Gibbs, in charge

CANADA PLANS INCREASED TOBACCO PRODUCTION IN 1944

Canada's 1944 production goal for tobacco calls for a 20-percent increase in acreage over 1943, according to a report by Clifford C. Taylor, American agricultural attache, at Ottawa. Increases are planned for each type of tobacco grown in the Dominion. The proposed increases for burley and pipe tobacco are 53 and 43 percent, respectively, over 1943 acreages of these types, and a 16 percent increase is planned in flue-cured acreage. It is reported that increasing consumption, by both civilians and the armed forces, together with reduced stocks and the relatively low 1943 crop, necessitated larger 1944 production goals.

Unfavorable weather conditions and the shortages of labor and fertilizers were the principal factors resulting in low tobacco production in 1943. A revised estimate of 74.2 million pounds of all types of tobacco from 72,040 acres in 1943, compares with the 1942 production of 89.7 million pounds from 78,730 acres. The 1943 flue-cured crop amounted to only 62.5 million pounds as compared with 71.9 million pounds in 1942, and the record 1939 flue-cured crop of 79.7 million pounds. Production of burley tobacco and cigar leaf totaled only 6.5 and 3.2 million pounds, respectively, in 1943, compared with 10.2 and 4.2 million pounds in the preceding year. Production of dark and pipe tobacco was also substantially below that of 1942.

Consumption of tobacco products in Canada, as revealed by tax-paid withdrawals, has shown a steady increase since 1932. Consumption of all classes of products during the year ended September 30, 1943, was about 9 percent above that of the preceding 12 months. Cigarette consumption increased sharply, and the use of cut and plug tobacco showed slight increases. Consumption of cigars and snuff showed only slight changes from 1941-42. In addition to the above increases, considerable quantities of tax-free cigarettes and other products were shipped to Canadian armed forces stationed abroad.

Stocks of tobacco in Canada almost entirely Canadian-grown, declined from 113.8 million pounds on September 30, 1942 to 111.6 million pounds in September 1943. In view of this decline and prospects for continued increases in consumption of tobacco, the Goals Conference, early in December, 1943 decided on a higher 1944 production goal.

Due to the wartime import restrictions to conserve foreign exchange, tobacco imports into Canada have been sharply reduced. The 1943 imports, principally cigar and oriental leaf, amounted to less than one-third of the 1939 imports. Exports of leaf tobacco in 1943 amounted to little more than one-third of the 1939 exports.

The minimum average price established by the negotiating committee of the Ontario Burley Tobacco Marketing Board for 1943-crop burley is 21 cents, or 4 cents more than the price paid for the 1942 crop. The minimum average price for the 1943

production of flue-cured tobacco grown by members of the Ontario Flue-cured Tobacco Marketing Association has been fixed at 30 cents per pound, the highest minimum price since the adoption in 1934 of the Association's present plan of appraising tobacco.

CANADA: Tobacco acreage and production 1941-1943

TYPE AND PROVINCE	ACREAGE			PRODUCTION		
	1941	1942	1943 <u>a/</u>	1941	1942	1943 <u>a/</u>
	<i>Acres</i>	<i>Acres</i>	<i>Acres</i>	<i>pounds</i>	<i>pounds</i>	<i>pounds</i>
Flue-cured -						
Ontario	48,930:	58,400:	55,800:	68,505:	67,484:	58,214
Quebec	5,800:	5,220:	4,360:	2,950:	4,000:	4,100
British Columbia	640:	360:	200:	766:	373:	200
Total, flue-cured ...	55,370:	63,980:	60,360:	72,221:	71,857:	62,514
Burley-Ontario	7,060:	7,820:	6,540:	9,965:	10,221:	6,534
Dark-Ontario	1,460:	1,610:	1,300:	2,383:	2,148:	1,517
Cigar-Quebec	3,860:	3,750:	3,200:	4,083:	4,199:	3,150
Large-pipe-Quebec	680:	350:	220:	763:	385:)
Medium pipe-Quebec ...	1,580:	900:	280:	1,458:	740:) <u>b/</u> 448
Small pipe-Quebec	550:	320:	140:	288:	149:)
Total, all types ...	70,560:	78,730:	72,040:	91,161:	89,699:	74,163

Dominion Bureau of Statistics and Consular Reports.

a/ Subject to revision.

b/ Pipe tobacco of all types.

ARGENTINE TOBACCO ACREAGE MAINTAINED

The first estimate of the Ministry of Agriculture places the area planted to tobacco in Argentina in 1943-44 at 45,714 acres, or about 4 percent larger than the estimated 1942-43 acreage of 43,971 acres. The average area planted during the crop years 1938-39 through 1941-42 was 48,996 acres.

BAHIA'S 1943-44 TOBACCO CROP LOWER

The 1943-44 tobacco crop in the State of Bahia, Brazil, is now estimated by the Tobacco Institute at approximately 36 million pounds as compared with earlier indications as high as 41 million pounds. Production in 1941-42, the last year for which satisfactory estimates are available, amounted to about 25 million pounds. Production of tobacco in this State, from which most of Brazil's tobacco exports originate, averaged 47 million pounds during the crop years 1938-39 through 1940-41. The 1943-44 crop will be of fair quality, according to information received in the Office of Foreign Agricultural Relations.

LIVESTOCK, MEATS, AND WOOL . . .

Arthur T. Thompson, in charge

CANADA SUBSIDIZES HOG PRODUCTION

Subsidies designed to encourage the marketing of more hogs of suitable grades at Government inspected packing plants have been announced by the Canadian Minister of Agriculture. It is believed, however, that the announcement came too late to stimulate spring farrowings but that the subsidies will be effective in bringing about an increase in the early summer and fall pig crops for marketing in late 1944 and early 1945.

The subsidy will take the form of a premium amounting to \$3.00 (Canadian) a head for Grade A hogs and \$2.00 a head for B1 Grade. The new subsidy should have the effect of increasing the price of grade A hogs around \$2.00 per hundred pounds dressed weight, and grade B1 hogs by \$1.33. Subsidy payments will begin as soon as the necessary administrative machinery has been set up.

The subsidies were to offset the rise in the price of feed grains which made hog raising less profitable, and the unexpectedly low British Contract price for Wiltshire Sides which permitted packers to pay only 40 to 50 cents per 100 pounds dressed weight than they had been paying.

Hog carcass gradings totaled 7,148,000 in 1943, an increase of 15 percent above the 1942 total of 6,228,000 and 93 percent above 1939 (3,701,000). Grade A hogs ordinarily represent around 25 percent of all hogs graded (excepting sows) and B1 hogs around 40 to 50 percent.

It is not known, as yet, whether the Province of Ontario will take this opportunity to discontinue the Provincial subsidies of \$2.00 and \$1.00 per head, respectively, now being paid to stimulate production of those two grades in that Province.

DANISH EXPORTS TO GERMANY

The quantity of Danish bacon and pork exported to Germany in 1943 (through December 12) totaled 161 million pounds and was about four times larger than exports to that destination in 1942. Live cattle exports in 1943 totaled approximately 89,000 head which was 60 percent below 1942 shipments - figures for exports of live hogs and beef are not available as yet. There was a substantial increase in exports of live horses which totaled 36,335 head against only 14,168 head in 1942.

CANADIAN MARKETINGS OF SHEEP AND LAMBS TO BE INCREASED

Objectives for the marketing of sheep and lambs off Canadian farms and ranches in 1944, as determined by the Dominion-Provincial Agricultural Conference recently held in Ottawa, call for a 5 percent increase as compared with 1943. In response to the wartime program calling for more wool, mutton, and lamb, the numbers of sheep have increased considerably, and therefore increased marketings in 1943 are considered probably and desirable, reports the Current Review of Agricultural Conditions in Canada. It has been suggested also that producers might well consider feeding lambs to an average greater weight of up to 5 pounds before marketing.

GENERAL AND MISCELLANEOUS

ARGENTINA REORGANIZES AGRICULTURAL MINISTRY

A sweeping reorganization of the Argentine Ministry of Agriculture became effective on January 1, 1944. The purpose of the reorganization was to enable the Ministry to serve the agricultural and commercial needs of the country more efficiently. During the past decade the establishment of many boards, commissions, bureaus, and independent agencies reporting directly to the Minister of Agriculture had created an unwieldy organization. The decree of November 29, 1943 announcing the new set-up, provided for an Under-Secretary of Agriculture through which the various boards and commissions, as well as eight independent bureaus could be coordinated within the Ministry.

Included among these boards and bureaus were the following: The National Agrarian Council, the National Bureau of Electric Power, the National Meat Board, the Grain Regulating Board, the National Grain and Elevator Commission and the Bureaus of Administration, Law, Statistics, Research, Instruction, National Parks, Forestry and one for Meteorology, Geophysics and Hydrology.

Also reporting to the Under-Secretary are four Director Generals, one each for industry, commerce, livestock, and agriculture. All activities in these fields formerly were combined into two bureaus, one covering industry and commerce, and the other livestock and agriculture. Under the new set up each of the newly appointed Director Generals will have supervision over several Bureaus.

The Director General for Agriculture will supervise the Bureaus of Regional Agronomy; Experiment Stations; Agrarian Social Policy; Control and Prevention of Plant Pests; Grains, Flaxseed and Forage Crops; Viniculture; Special Crops; Fruit, Vegetables and Flowers; Cotton; Tobacco; and Yerba Mate. The Director General for Livestock will supervise the Bureau of Animal Quarantine; Zootechnics; Wools; Dairying; Farm Products; Fish Propagation and Fisheries; and Animal Pathology.

The Director General for Industry will have charge of the Bureaus of Industrial Economy and Policy; Siderurgy and Metallurgy; Chemical Industries; Manufacturing industries; Mining, Geology and Hydro-geology; and Licenses and trademarks. The National Cotton Containers and Chemical Products factories and the Argentine Corporation of Domestic Weaving will also function under the supervision of the Director General. The Director General for Commerce will supervise the Bureaus of Commercial Policy; Commercial Control; Supply; Chattel Loans, and the Export Committee.

In general the reorganization brings into the Ministry of Agriculture many former independent agencies which had functioned under the chairmanship of the Minister of Agriculture but which were not an integral part of the Ministry. In addition it provides for a distribution of responsibility to four Director Generals. The Minister of Agriculture will draw up regulations for the approval of the President, outlining the specific functions of each of the divisions provided for under the reorganization.

FOREIGN EXCHANGE

EXCHANGE RATES: Average value in New York of specified currencies
week ended January 22, 1944 with comparisons a/

COUNTRY	MONETARY UNIT	MONTH				WEEK ENDED		
		YEAR	1941	1942	1943	1944		
		1942	DEC.	DEC.	NOV.	DEC.	JAN. 8	JAN. 15
			Cents	Cents	Cents	Cents	Cents	Cents
Argentina b/	Paper peso	29.77	29.77	29.77	29.77	29.77	29.77	29.77
Australia c/	Pound	321.50	321.50	321.50	322.80	322.80	322.80	322.80
Brazil d/	Cruzeiro	5.14	5.13	5.15	5.13	5.13	5.13	5.13
British India	Rupee	30.12	30.13	30.12	30.12	30.12	30.12	30.12
Canada e/	Dollar	88.38	87.39	87.88	89.42	89.40	89.67	89.50
Mexico	Peso	20.57	20.56	20.57	20.58	20.58	20.58	20.58
New Zealand	Pound	322.78	322.78	322.78	324.42	324.42	324.42	324.42
South Africa	Pound	398.00	398.00	398.00	398.00	398.00	398.00	398.00
United Kingdom c/	Pound	403.50	403.50	403.50	403.50	403.50	403.50	403.50
Uruguay f/	Peso	52.72	52.78	52.73	53.00	52.97	52.95	52.94

Federal Reserve Board.

a/ Noon buying rates for cable transfers.

b/ Official, regular exports. The special export rate of 23.70 cents, reported beginning March 27, 1941, applies to exchange derived from certain minor exports (e.g. dairy products) to certain countries (e.g. United States), such exchange formerly having been sold in the free market. Quotations nominal.

c/ Free prior to February 2, 1943. Quotation of free rate discontinued after February 1, 1943.

d/ Free. Prior to November 1, 1942 the official designation of the Brazilian currency unit was the milreis. Since April 10, 1939, 30 percent of the exchange derived from exports must be turned over at the official buying rate of 6.06 cents, the weighted average value of the milreis being 5.42 cents in 1942, the value of the cruzeiro 5.41 cents in December, 1943 and 5.41 cents in the week ended January 22, 1944. Quotations nominal.

e/ Free. Most transactions between Canada and the United States take place at the official buying and selling rates.

f/ Not controlled. Quotations nominal.

EXCHANGE RATES: Average value in New York of Chinese, Japanese, and some European currencies during last full months for which rates were available, and current official rates

COUNTRY	UNIT	NEW YORK RATES ^{a/}		CURRENT
		MONTH	RATE	
			Cents	Cents
Belgium	Belga	April 1940	16.89	^{b/} 16.00
Denmark	Krone	March 1940	19.31	20.88
France	Franc	May 1940	1.85	^{c/} 2.00
Germany	Reichsmark	May 1941	^{d/} 39.97	40.00
Greece	Drachma	September 1940 ..	^{d/} 0.66	0.67
Italy	Lira	May 1941	^{d/} 5.09	5.26
Netherlands	Guilder	April 1940	53.08	53.08
Norway	Krone	March 1940	22.71	22.86
Portugal	Escudo	May 1941	4.00	^{e/} 6.67
Spain	Peseta	May 1941	^{d/} 9.13	9.13
Sweden	Krona	May 1941	23.84	23.81
Switzerland	Franc	May 1941	23.20	23.20
China	Yuan (Shanghai)	June 1941	^{d/} 5.34	^{f/} 5.31
Japan	Yen	June 1941	23.44	23.44

^{a/} Noon buying rates for cable transfers as reported by Federal Reserve Board. Last daily rate reported on April 8, 1940, for the Danish and Norwegian kroner; on May 9, 1940, for the belga and guilder; on June 15, 1940, for the French franc; on October 25, 1940, for the drachma; on June 14, 1941, for the other above-mentioned European currencies; and on July 26, 1941, for the yen and yuan (Shanghai).

^{b/} Based on German official rate for United States dollar.

^{c/} Based on German official rate for United States dollar in occupied area; in un-occupied area, official rate of 2.28 cents.

^{d/} Quotations nominal.

^{e/} Rate for currency; for checks, 4.09 cents to the escudo.

^{f/} Rate set August 18, 1941, by Chinese Stabilization Board.